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The statement on the following pages is excerpted from a study on "Tariff Equalization Taxes to Finance the National Agricultural Program," issued by the American Farm Bureau Federation in March, 1940. This part of the study is transmitted for the information of AAA officials and committeemen. Inquiries concerning the complete study should be directed to the American Farm Bureau Federation, Washington, D. C.

NECESSITY FOR A PERMANENT PLAN TO FINANCE NATIONAL FARM PROGRAM

To survive, any economic system must distribute national income well enough to keep people buying, so people can work, so people can earn, so people can buy. This is not theory but practical common sense. The penalty of failure to do this is a breakdown of the system -- regardless of any amount of sentimental and wishful thinking.

For 20 years farmers have not been getting that fair share of the national income which is required before agriculture can function on a sound and continuing basis. (See Table 1).

Farmers constitute the largest group in America entirely devoted to the democratic ideals of private property, free enterprise, and free political institutions. But they cannot maintain the American family type farm, conserve the Nation's soil, educate their youth, provide the Nation with abundance, and buy the Nation's goods on what they have received from the Nation the last 20 years.

Cash rather than sympathy is required to preserve a sound agriculture as the foundation of American civilization. The price America must pay for a healthy agriculture -- and perhaps for the preservation of the entire American system -- is a fair share of the national income to the farmers. The cash not supplied by an economic system which fuctions unjustly must be supplied from supplementary sources.

Congress has repeatedly declared its policy to be the restoration and maintenance of parity prices and parity income to farmers. The parity goal for agriculture was established by Congress in the original Agricultural Adjustment Act of 1933, in the Soil Conservation and Domestic Allotment Act of 1936, and again in the Agricultural Adjustment Act of 1938. The Agricultural Marketing Agreements Act of 1937 and Section 32 of the Agricultural Adjustment Act are likewise directed toward the parity goal, especially with respect to non-basic commodities.

These Acts constitute the most comprehensive and effective National farm program ever enacted for farmers by the Congress. The methods employed in this legislation are sound in principle and if sufficient funds are appropriated to make it fully effective the objective of this legislation, which is to attain partiy prices and parity income for American farmers, can be achieved. Experience has proved that to the extent appropriations for carrying out this legislatiion have been available the program under it has been effective.

For seven years, under exceedingly difficult conditions, the operations of the National farm program have made up for a good part of agriculture's income deficiency. Continuation of that program eventually will put agriculture on a sound financial, social and soil-conserving basis. Money has been required to rehabilitate agriculture into its rightful place in the national economy, and

money will be required for many years to come. It is vitally important that appropriations sufficient to make the National farm program fully effective be provided by Congress.

The great need is for a stable, continuing source of revenue. As Secretary Wallace has put it: "Farmers need something that will work as noiselessly for them as the tariff does for industry." 1/

1/ Press conference.

TABLE I

FARM INCOME AVAILABLE FOR LIVING, PARITY INCOME, AND DEFICIENCY IN AVAILABLE FARM INCOME, UNITED STATES

	Available farm income	Ratio available farm income to parity 1/	Parity farm income 2/	Deficiency in available income 3/
1910-14.....	$4,518,000,000	100.0	$4,518,000,000	....
1924-29.....	6,966,000,000	84.2	8,271,000,000	$-1,305,000,000
1930........	5,115,000,000	66.9	7,646,000,000	-2,531,000,000
1931........	3,081,000,000	47.2	6,528,000,000	-3,447,000,000
1932........	1,804,000,000	34.2	5,275,000,000	-3,471,000,000
1933........	2,597,000,000	52.1	4,985,000,000	-2,388,000,000
1934........	3,376,000,000	59.8	5,645,000,000	-2,269,000,000
1935........	4,237,000,000	70.4	6,018,000,000	-1,781,000,000
1936........	5,123,000,000	75.4	6,794,000,000	-1,671,000,000
1937........	5,471,000,000	75.2	7,275,000,000	-1,804,000,000
1938........	4,451,000,000	66.7	6,673,000,000	-2,222,000,000
1939........	4,587,000,000	65.3	7,025,000,000	-2,438,000,000
Including Government payments:				
1933.....	2,759,000,000	55.4	....	-2,226,000,000
1934.....	3,932,000,000	69.7	....	-1,713,000,000
1935.....	4,820,000,000	80.2	....	-1,198,000,000
1936.....	5,410,000,000	79.7	....	-1,384,000,000
1937.....	5,838,000,000	80.2	....	-1,437,000,000
1938.....	4,933,000,000	73.8	....	-1,740,000,000
1939.....	5,394,000,000	76.8	....	-1,631,000,000

1/ This is the ratio of available farm to available nonfarm income per capita, 1910-14 = 100.
2/ Available farm income divided by the ratio to parity.
3/ The amount by which parity income exceeds available farm income.
SOURCE: Bureau of Agricultural Economics.

Several plans for establishing such a source of revenue have been proposed to the Congress as alternatives to direct Treasury appropriations. There is the processing tax and the certificate plan, both measures now up before the Congress. In order that full consideration may be given all possibilities, the American Farm Bureau Federation suggests another possible way to finance the farm program, that is, through a manufacturers' excise tax. The operation of such a tax will be described in this report.

Alternatives to these three plans are: continued direct appropriations from the Treasury, price fixing, increases in income taxes, or a monopoly tax. The last alternative would require private monopolies enjoying special governmental privilege -- which long have injured the buying power of free competitive farm enterprise -- to pay the cost of farm programs established for the protection of the injured group.

Need for a Permanent Source of Revenue. The national necessity for some permanent source of revenue to finance farm programs, and the fairness and desirability of establishing such a farm finance system, are obvious upon examination of the facts. It will be shown (1) that disparity of income with other groups has drained money from agriculture for many years; (2) that monopoly industry has injured the buying power of agriculture, which has fostered free competition; (3) that industrial tariffs have levied a huge tax on agriculture and cut off much of agriculture's foreign market; (4) that agriculture has paid and continues to pay its share of subsidies to other groups, and (5) that the dammed up purchasing power of farmers and rural people who depend upon them, if released, is sufficient to restore national prosperity.

Disparity of Agriculture Income 1/ : The disparity between farm income and non-farm income has amounted to over 2 billion dollars a year since 1929. That means the farmer has subsidized the rest of the public more than 2 billion dollars a year for the last 10 years.

If farm prices had been in line with other prices during that time, farmers would have received more than 20 billion dollars additional income. They have received in farm program payments only 3 billion dollars.

For every dollar received in benefit checks, farmers have contributed benefit payments of more than six dollars to the general public because of this disparity of farm income with non-farm income.

Parity income for agriculture is the same share of the total per capita income available for living that agriculture received in the 1909-14 period. This is the most recent period of "normal" times. It was a period when farm and city income were in balance --

1/ Data on pages 4 and 5 and the tables which follow are based on the Secretary's testimony before the Senate Appropriations Committee, February 26, 1940.

when farm products flowed freely to the cities and city goods flowed freely to the farms.

The disparity of farm buying power now as compared with this earlier balanced period was well illustrated by Secretary Wallace in his recent statement to the Senate Appropriations Committee. He quoted prices of identical articles from two mail order catalogs, one of 1913 and the other of 1940. He said, in part:

"Take work shirts for example. Work shirts could be ordered from the 1913 catalog for an average price of 57 cents. The average price in the 1940 catalog is 73 cents, an increase of 28 percent.. At January 15 prices in 1913 it took 4.7 pounds of cotton to buy a work shirt. The cost now is the equivalent of 7.2 pounds of cotton, based on January 15 prices, or 53 percent more than in 1913. The cost of bib overalls has increased 39 percent in dollars and cents. In terms of cotton, the cost has increased from 5.8 pounds to 9.6 pounds, or 66 per cent.

"In each of these examples I have tried to pick articles that are essentially the same now as in 1913. Common nails haven't changed much, if any, since 1913, but the price has gone up 74 percent.. At January 15 prices for hogs in 1913 it took 31 pounds of hogs to buy 100 pounds of 8-penny nails. But at January 15 prices in 1940, it took 70 pounds of hogs to buy 100 pounds of 8-penny nails, an increase of 126 percent.

"The quality of an ordinary 4-pound axe probably is no better now than in 1913 but the price has almost doubled, rising from 96 cents to $1.89 -- an increase of 97 percent. The amount of wheat required in exchange for a 4-pound axe has increased from 1.2 bushels to 2.2 bushels -- or almost double what it was 27 years ago.

"The cost of a 60-tooth, 2-section spike-tooth harrow in 1913 was $10.06, but the cost now is $19.75 -- an increase of 96 percent. At January 15 prices for wheat in 1913 it took 12.9 bushels to buy a spike-tooth harrow. At January 15 prices in 1940 it took 23.4 bushels of wheat to buy one, or 80 percent more.

"Corn planters are essentially the same now as in 1913, but the price has gone up from $31.25 to $65.95 -- an increase of 111 percent. The important point for the corn producer is the amount of corn it takes to buy a corn planter. In 1913 it took 63 bushels of corn to buy a two-row, check planter. Today it takes 124 bushels. Thus the real price to the corn producer is now double what it was in 1913. At January 15 prices this year it took 124 bushels of corn to buy a two-row corn planter.

"In 1913, a long handled round point shovel could be purchased for 48 cents. The cheapest shovel of this type quoted in the 1940 catalog is for sale at 79 cents, an increase of 65 percent. Twenty-seven years ago a three tine hay fork could be bought for 39 cents. A similar fork today costs 79 cents, or 103 percent more.

"The following are tables which sum up the comparisons I have been making:

TABLE II

COMPARATIVE PRICES FOR SELECTED ARTICLES
SEARS, ROEBUCK & COMPANY
1913 AND 1940

Article	Unit	1913 Catalog: Page Numbers	1913 Catalog: Number of items listed	1913 Catalog: Average Price (Dols.)	1940 Catalog: Page Numbers	1940 Catalog: Number of items listed	1940 Catalog: Average Price (Dols.)	Price Change 1913 to 1940: Amt. (Dols.)	Price Change 1913 to 1940: Amt. (Pct.)
Work Whirts	Each	310-3	34	.57	324-7	60	.73	+.16	+ 28
Overalls (Bib)	Pair	432-4	10	.70	319-23	18	.97	+.27	+ 39
Men's Suits	Each	383-93	68	12.32	277-9	34	18.08	+5.76	+ 47
Women's Shoes	Pair	336-41 343-6 349-51	124	1.84	118-9 122-31	68	2.81	+.97	+ 53
Common Nails, 8d	100# lbs.	1100	1	2.10	896	1	3.65	+1.55	+ 74
Axes, single bit, 4 pound head	Each	1102	8	.96	904	1	1.89	+.93	+ 97
Handsaws, 26 inches	Each	1110-1	8	1.16	906	5	2.07	+.91	+ 78
Spiketooth Harrows, 2-section, 60-teeth	Each	1162	1	10.06	940	1	19.75	+9.69	+ 96
Corn Planter, 2-row Check	Each	1163	1	31.25	942	1	65.95	+34.70	+ 111

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TABLE III

FARM PRODUCTS EQUIVALENT IN VALUE TO SPECIFIED COMMODITIES
JANUARY 15, 1913 AND 1940

		FARM PRODUCTS											
		Pounds of Cotton		Pounds of Wool		Pounds of Beef		Pounds of Hogs		Bushels of Wheat		Bushels of Corn	
Commodities	Unit	1913	1940	1913	1940	1913	1940	1913	1940	1913	1940	1913	1940
Work Shirts	Each	4.7	7.2	3.1	2.6	10.6	10.6	8.4	14.0	.73	.86	1.1	1.4
Overalls	Pair	5.8	9.6	3.8	3.5	13.0	14.1	10.3	18.7	.90	1.15	1.4	1.8
Men's Suits	Each	102	179	66	64	228	262	181	348	15.8	21.4	25	34
Women's Shoes	Pair	15	28	9.9	10.0	34	41	27	54	2.4	3.3	3.7	5.3
Common Nails 8d	100 lbs.	17	36	11.3	13.0	39	53	31	70	2.7	4.3	4.2	6.9
Axes, single bit, 4 lb. head	Each	7.9	18.7	5.2	6.7	18	27	14	36	1.2	2.2	1.9	3.6
Handsaws, 26 inches	Each	9.6	20.5	6.2	7.4	22	30	17	40	1.5	2.4	2.3	3.9
Spiketooth Harrows, 2-section, 60 teeth	Each	83	196	54	70	186	286	148	380	12.9	23.4	20	37
Corn Planter, 2-row check	Each	258	653	168	235	579	956	460	1268	40	78	63	124

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"In all probability, the profit margin per unit of the concern issuing the catalog is no greater now than it was in 1913. In fact, because of an increased volume of sales, the margin might well be less. The concern is one of the most efficient merchandising establishments in the country. Other factors than increased profit margin account for most, if not all, of the increases in cost. Whatever these factors are, they have given us the farm problem, and economies at the expense of agriculture are no contribution to its solution."

For 20 years farm income has been at a serious disparity with non-farm income. 1/ It reached botton in 1932 at 34.2 per cent of parity. 1/ It has been an exhausting, well-nigh ruinous period for agriculture.

The farm depression started in 1920 and culminated in national disaster in 1932. 1/ Since that time farmers have been recovering. Part of the wide gap between farm income and parity income has been bridged. Farm income now is about three-fourths of full parity. 1/ To bridge the full distance will require at least 1 1/2 billion dollars more per year. 2/ Until agriculture reaches this goal there can be no national prosperity.

Industrial Price Controls Injure Farm Buying Power: Increasingly since the Civil War, and alarmingly since World War I, many shrewd business men broke the first commandment of the American system (keep competition free) by developing monopolies to maintain prices and increase profits. To regulate production, they strangulated competition. This was accomplished by breaking the second commandment of the American system (keep Government out of private enterprise) by securing from Government certain privileges and subsidies without which monopolies could not have thrived.

Organized business learned the advantages of Government privilege early in American history. The corporation charter is an example. It is a power granted by Government which permits groups of individuals to function as a unit in business affairs without personal liability. A similar power is the holding company charter. This permits big-scale monopoly. It is a privilege by which a single corporation and a few individuals have been able to pyramid control of many corporations. Court rulings favoring corporate practices have thrown the mantle of governmental protection around these institutions.

A tariff keeps foreign competitors from cutting in on a domestic monopoly. It acts as a wall around certain industrial prices and profits which would tumble if exposed to the free play of competition. It is a sales tax, a subsidy, and a monopoly privilege all rolled into one.

1/ Table I
2/ Statement of Secy. Wallace before Senate Appropriations Committee February 26, 1940.

Among other privileges wrested from Government by business are patents, coprights, franchises, easements and discriminatory freight rates.

Because of these privileges more than half of our privately-owned business is monopolized. Some 2,000 individuals in 200 corporations control half of industry. 1/ Two corporations sell about 2/3 of all farm machinery; 10 corporations make 89 percent of the sales. 2/

Tight production and price control are fixed industrial policies. From 1929 to 1932, farmers were maintaining production and found their prices slashed to less than half. For the same period, industrial production was cut in half and prices were maintained within one-fourth of 1929 levels. 3/

The industrial "plow-up" of the 1930-33 period set a world record. The value of goods which could have been produced with available facilities -- which were needed in consumption but were not produced, -- is estimated at 135 billion dollars. 4/ Inflexible industrial price policies helped create this great loss.

According to the Brookings Institution 4/ that amount represents a value equal to "four times the value of the Nation's farms; nearly six times the value of the Nation's factories; 14 times the value of all mercantile establishments; and more than 25 times the value of the 26,500,000 automobiles registered in 1929."

While the appalling waste of this industrial sit-down strike continued, farmers kept right on producing practically the same amount of food and fiber and saw their prices cut in two. Farm buying power was halved. 5/

With one-half of the Nation on a monopoly basis, and the other half (farmers, small business men, small manufacturers, professional workers) on a free competition basis, terrific strains are produced in the national economy. The strain in agriculture is measured by disparity of income. Unless the strain is relieved by getting all business on a freely competing basis, the ruinous effects on agriculture must be offset by well-financed farm programs. The alternative is a crack-up of the whole economic system.

Tariffs Tax Farmers, Reduce Farm Exports: Tariffs are already costing the American people considerably more than the one and one-half billion dollars needed to make the farm program effective and restore agriculture to full parity. Whatever else the tariff may be, it is a sales tax on the American people. Allowing for the softening effects of trade agreements, it was a 39 percent tax in 1938. 6/

1/Berle & Means, "The Modern Corporation & Private Property."
2/Federal Trade Commission, "Report on the Agricultural Implement & Machinery Industry."
3/Tables from governmental sources. 4/Brookings, "Income & Economic Progress. 5/ B.A.E. figures. 6/ U. S. T ariff Commission; percent duty collected is of dutiable imports.

"If the tariff duties on products the farmer consumes were completely effective in raising prices, the tariff on goods they used in 1935 would have cost American farmers $681,000,000 according to a recent Department of Agriculture estimate. This amounts to $108 per farm family." 1/

As series to agriculture as the effect of the tariff in raising prices of articles bought by farmers is the demoralizing effect it has had since 1930 in drying up farm export markets.

The United States has about two-thirds of the world's gold, 2/ which makes it difficult for foreign countries to buy American farm products except as these countries can sell the United States manufactured goods. The tariff effectively cuts off these industrial imports, forces foreign nations to buy farm stuff where trades can be made. The tariff is responsible for great losses of farm exports. From the time of the Fordney-McCumber tariff in 1922 to the beginning of the trade agreement program in 1934, there was a loss in farm exports from more than 40 million acres. 3/ In three years following the Smoot-Hawley tariff of 1930, farm exports equivalent to the production of more than 20 million acres were lost. The tariff has been one of the great causes of farm surpluses. 3/

However beneficial in some respects the tariff may be to certain segments of the Nation, to agriculture it means heavy, discriminatory taxation, 4/ curtailed markets and surpluses for export crops, an aggravated land adjustment problem, and lower farm income.

Agriculture Pays Its Share of Subsidies to Other Groups: Subsidies are part of the old American way of doing things. There have been large scale subsidies for more than 100 years. So important have they become since the Civil War that it is a fair statement that subsidies form a part of the American system. Until recently, however, agriculture has not shared substantially in the distribution of these benefits.

A partial list of government subsidies to non-farm groups for the fiscal year 1939 totals more than 1-1/3 billion dollars. 5/

1/Statement of Mr. Edw. A. O'Neal before House Ways and Means Committee, Jan. 25, 1940. 2/Federal Reserve Bulletin, "The Gold Problem Today", January, 1940. 3/Division of Program Planning, B.A.E. Department of Agriculture 4/ See Exhibits A&B. 5/ Sources cited on table which follows.

Estimated Governmental Subsidies to Non-farm Groups, Fiscal Year 1939

Airlines

Airports, Federal payments for improvement, construction, operation & maintenance 1/	$ 51,574,367
Airline, Federal payments for radio & communication 2/..................	3,907,217
Airmail service, excess cost to Post Office Department 3/	8,147,595
TOTAL	$ 63,629,179

Ocean Shipping

Ocean shipping, Maritime Commission payments for operation 4/	$ 11,114,578.13
Ocean shipping, Maritime Commission payments for construction 4/	10,076,894.22
	$ 21,191,472.35

Waterways

Waterways, Army expenditures for rivers & harbors 5/	$115,987,261.02

Publishers

Publishers, excess of Post Office expenditures over revenues for carrying second-class mail 6/..	$ 87,460,317.14

Highways (Motor Transportation)

Highways, Federal & State funds expended for construction, maintenance and improvement 7/	$1,100,000,000.
GRAND TOTAL	$1,388,268,229.51

1/ 1st Annual Report of Civil Aeronautics Authority, Fiscal Year 1939, pages 3, 15 & 49.
2/ " " " " " " " " " " page 49
3/ Annual Report of Postmaster General, Fiscal Year 1939, page 103.
4/ Report of U. S. Maritime Commission, 1939, page 35.
5/ Report of Chief of Engineers, U. S. Army, Vol. 1, Part 1, page 19.
6/ Annual Report of Postmaster General, Fiscal year 1939, page 120.
7/ Estimates for total expenditures supplied by Public Roads Administration.

The amount of these subsidies per employed worker is estimated as follows: 1/

Publishing business	$1,200	annually
Aircraft engaged in carrying airmail	450	"
Ocean shipping	370	"

By way of contrast, farmers received that same fiscal year about $65 per farm worker through cash payments from the Federal government, or $92 per farm worker if reckoned on the basis of the entire Federal appropriation for agriculture.

Other assistance to non-agricultural groups include:

Patent and trademark privileges, and rights granted radio companies, such as the denial of private licenses for short wave transmission (this constitutes a form of protection for telephone companies).

Insurance rate stablilization by Federal laws.

Aid to the building industry and construction supply trades through Government housing programs.

Protection for labor under Fair Labor Standards Act of 1938.

Land grants to railroads.

Local franchises to utilities.

Utility rate regulation by Federal and local laws.

Railroad rate stabilization and differentials.

Oil proration laws.

"Fair trade practice" laws.

Silver price fixing.

Parity for Agriculture Will Create a Huge New Market for Industry: Agricultural disparity has injured the Nation for many years. Parity income for the farmer is the chief thing needed to restore complete national prosperity. Past experiences indicate that the one and one-half billion dollars due farmers to bring them up to full parity would add at least three to four billion dollars to total national income. This is an amount equivalent to what would be required to employ three to four million workers at an annual wage of one thousand dollars per year. It would increase the farm cash available for living, which farm families spend almost entirely for goods and services, to a point practically as high as in the so-called prosperity years of 1925-29. 2/

Farmers are the Nation's best spenders. The farm market for city goods could be doubled if farm income permitted. About 80 percent of farm increases in income are spent for city goods and services.

1/ Subsidies as listed on preceding table are divided by number of employees as given in the Census. Number of farm workers, 1935 Census of Agriculture, includes operators, hired help, and unpaid farm workers.

2/ Based on B. A. E.: farm income available for living.

It is estimated that farmers, if they had the money, would be in the market for 10 billion dollars of goods and services in addition to what they already have. Here is a partial list (based on Report of the National Survey of Potential Product Capacity):

Foods	$ 943,191,000
Wearing apparel	1,648,085,000
Housing	1,090,286,000
Health	463,550,000
Heating equipment	2,178,345,000
Automobiles	222,175,000
Motor gasoline	140,769,000
Tools	29,232,000
Cigars & cigarettes	90,624,000

The farmers is potentially the best customer of business and industry. The purchasing power dammed up on American farms, if released, will bring the Nation prosperity. Full agricultural parity is the key which will unlock the gate to prosperous times for all.

EXHIBIT A

Some examples of tariff rates on articles bought by farm families (rates in Tariff Act of 1930).

(Note: Ad valorem duties are computed on the value of the imported articles.

Clothing	Tariff rate	
Felt hats, men's - - - - - - - -	$1.25 per dozen	25 % ad valorem
Overalls - - - - - - - - - - - -		37 1/2 % " "
Men's work socks, cotton - - -		30 % " "
Canvas gloves, knitted wrists -		60 % " "
Men's heavy winter union suits-	33 cents each	45 % " "
Gingham - - - - - - - - - - - - - -		37 1/2 % " "
Knit Rayon bloomers - - - - - - -	45 cents per lb.	
Rayon slips - - - - - - - - - - - -	45 cents each	65 % " "
Men's suits, serge, wool, ready-made - - - - - - - - - -	33 cents per lb.	45 % " "
Men's work shirts - - - - - - - -		37 1/2 % " "
Men's work shoes - - - - - - - -		20 % " "
Men's athletic union suits- - -		37 1/2 % " "
Knee rubber boots - - - - - - - -		35 % " "
House dresses - - - - - - - - - -		37 1/2 % " "
Women's silk hose, service wgt.		60 % " "
Women's shoes or oxfors - - - -		20 % " "

Household Articles	Tariff rate
Sheets, 81 inches by 90 inches, medium quality - - - - - - - -	25 % " "
Blankets, cotton, double-length	30 % " "

Comforters, cotton		25% ad valorem
Bath towels, Turkish		25% " "
Toilet soap, per cake		30% " "
Laundry soap, per bar		15% " "
Laundry starch	1 1/2 cents per lb.	
House brooms		25% " "
Dinner plates, plain	10 cents per doz.	70% " "
Fruit jars, Mason, 1 quart	1 cent per lb.	

Furniture

Dining chairs, wood seat & back	40% " "
Dining tables, extension 42" by 54" top	40% " "
Living room suites, 3 pc, upholstered	40% " "
Dressers, 42" top, with mirror, each	40% " "
Bedsteads, metal, double, each	45% " "
Bedsprings, double, sagless	45% " "
Mattresses, full size, all felted, cotton	40% " "
Sewing machines, drophead type	15% " "
Kitchen cabinets, with top cupboard, oak finish, 42" width	40% " "
Radio receiving set, 6-tube, for battery operation, without accessories	35% " "

Lumber	Tariff rate	
Portland cement	8 cents per 100 pounds	
Roofing composition, heavy, per roll of 108 square feet		10% ad valorem
Roofing, steel, galvanized, 2 1/2" corrugation, 29-gauge	3/4 cents per pound	

Fencing Material

Posts, steel	1/5 cent per pound
Woven wire fencing 32" high	1/2 cent per pound
Barbed wire, galvanized	1/2 cent per pound

Equipment Supplies & Machinery

Cream separators, centrifugal hand, 400 lb. hourly capacity		25% ad valorem
Milk cans, 10-gallon standard wt.		35% " "
Gas engines, 3-horsepower		20% " "
Horse collars, leather	12 1/2 cents ea.	
Iron pipe, galvanized, 2"		25% " "
Auto tires, 30x4.50 inches (4.50 x 21) balloon		10% " "
Stoves, 6-hole kitchen range, wood or coal burning		20% " "
Kerosene stoves, 4-burner range, with built-in oven		20% " "
Wash-boilers, copper bottom heavy tin-plated sides		20% " "
Wringers, hand-power		20% " "

Washing machines, hand-power - - -		20% ad valorem
Nails, eightpenny, wire - - - - -	1 cent per pound	
House paint, ready-mixed - - - - -		25% " "
Pumps, windmill force - - - - - -		20% " "
Bushel baskets, wood - - - - - - -		50% " "
Tractors - - - - - - - - - - - - - -		27 1/2% " "

TARIFF RATES DURING PAST 50 YEARS

The comparative rates of duty under various tariff acts since 1890 are as follows:

Annual average equivalent ad valorem rate

	Year	On all dutiable imports	On all free & dutiable imports
Under McKinley law (effective Oct. 6, 1890)	1891-1909	48.4%	23%
Under Wilson law (effective Aug. 28, 1864)	1895-1897	41.3%	20.9%
Under Dingley law (effective July 24, 1897)	1898-1909	46.5%	25.5%
Under Payne-Aldrich law (effective Aug. 6, 1909)	1910-1913	40.7%	19.3%
Under Underwood law (effective Oct. 4, 1913)	1914-1922	27 %	9.1%
Under Fordney-McCumber law (effective Sept. 22, 1922)	1923-1930	38.5%	14%
Under Hawley-Smoot law (effective June 18, 1930	1930-1932	57.3%	18%

Source: Table 6, pp. 13-14, Relation of Duties to Value of Imports, U. S. Tariff Commission, 1932.

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